



STATE OF CONNECTICUT OFFICE of the STATE COMPTROLLER 55 Elm Street Hartford, CT 06106

Written Testimony Comptroller Kevin Lembo March 8, 2018

Concerning

S.B. 1: AN ACT CONCERNING EARNED FAMILY AND MEDICAL LEAVE, H.B. 5387: AN ACT CONCERNING PAID FAMILY AND MEDICAL LEAVE & H.B. 5044: AN ACT CONCERNING FAIR TREATMENT OF SICK WORKERS

Good afternoon, Sen. Gomes, Rep. Porter, Sen. Miner, Rep. Bocchino and Members of the Labor and Public Employees Committee:

I write today in support of several essential measures to protect workers and their families, beginning with Senate Bill 1 & House Bill 5387, which would establish a paid family and medical leave system in Connecticut.

Thank you for raising this legislation and for the opportunity to continue to show my support for efforts to create a program that covers paid family and medical leave. A mechanism to offer an insurance product for replacement income for employees who need time away from work — which is consistent with the Connecticut Family Medical Leave Act (FMLA) — will make family and medical leave a more meaningful benefit and bolster financial security for Connecticut families.

According to AARP, studies show that throughout the year, there are 711,000 family caregivers in Connecticut providing 46 million hours of care, which has a value of \$5.8 billion. If family caregivers are no longer available, the cost to the U.S. health care and long-term services and support systems would increase significantly. Removing the threat of financial insecurity with paid family and medical leave would help alleviate additional burdens on already strained services and state resources.

The benefits to employees are clear, but employers will benefit from paid family and medical leave as well. In a comprehensive study of California's Family Leave Insurance program, a majority of employers showed either a cost savings or no additional costs related to implementation. According to a consultant for the New Jersey Business and Industry Association (NJBIA), New Jersey businesses have experienced little difficulty adjusting to the requirements of the state's laws and reported no impact on business profitability or employee

productivity, no matter the size of the employer. Businesses in both states also credited the 2 state paid family and medical leave laws with increased morale and loyalty among their employees.

A well designed paid family and medical leave program should ideally be implemented in an efficient and cost-effective manner. One potential step toward accomplishing this would be to implement the program using a one year phased-in approach. Such a program would enable workers to continue to contribute to the economy during times they would normally be unable to do so and also avoid additional strain on limited state government social program resources. I hope you will support this legislation for your families, my family and Connecticut's working families.

I would also like to urge your support for House Bill 5044, An Act Concerning Fair Treatment of Sick Workers to further ensure adequate treatment of workers in need of paid or unpaid sick time.

S.B. 15: AN ACT CONCERNING FAIR AND EQUAL PAY FOR EQUAL WORK & H.B. 5386: AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS

Thank you for giving me the opportunity to express my support for Senate Bill 15, An Act Concerning Fair and Equal Pay for Equal Work, and House Bill 5386, An Act Concerning Various Pay Equity and Fairness Matters.

According to the Institute for Women's Policy Research, the 2015 median annual earnings for women were \$40,742, while \$51,212 for men. Should the pace of change for the annual earnings ratio continue at the same rate it has since 1960, men and women will not reach pay equality until 2059. Women of color are especially affected by pay inequity. Hispanic women make \$0.54 on the dollar paid to a white man, and African-American women make \$0.63 on that same dollar. In fact, the median earnings for Hispanic women are below the qualifying income threshold for food stamps eligibility, at \$31,247 per year.

While there are a number of factors that contribute to wage disparities between men and women, this bill takes the necessary next step in helping to bring parity more quickly to Connecticut women. It would prohibit employers from taking prior pay inequity into account when negotiating salaries, which would allow women to break out of a compounding cycle of the gender wage gap. And it would prohibit using maternity leave or medical leave as a basis for reduced salary increases or reduced seniority, which invariably impacts women more than men.

H.B. 5043: AN ACT PROMOTING A FAIR, CIVIL AND HARASSMENT-FREE WORKPLACE

Thank you for an opportunity to express my support for House Bill 5043, An Act Promoting a Fair, Civil and Harassment-Free Workplace.

The voices of so many brave women who have come forward – across virtually every industry – with stories of sexual harassment in the workplace and other abuses that have persisted since the beginning of time have delivered a clear call for action. This legislation seeks to deliver a new era of protections, education and awareness in every workplace to protect workers, particularly women, from sexual harassment.

It is an absolute necessity that Connecticut strengthens these protections to eliminate a culture of harassment that has been unconscionably allowed to persist for centuries.

H.B. 5388: AN ACT CONCERNING A FAIR MINIMUM WAGE

Thank you for an opportunity to express my support for House Bill 5388, An Act Concerning a Fair Minimum Wage.

This legislation seeks to provide greater economic security to Connecticut families by increasing the minimum fair wage.

Without the sacrifices and hard work of so many working families in Connecticut, our businesses and our entire economy could not function. So many great employers recognize the benefits of valuing their workforce – in increased productivity and a positive workplace culture. However, for the sake of our greater economy and basic quality of life, we have a responsibility to ensure that all workers are paid fairly and reasonably.

I urge your support and thank the Committee for raising these bills.